(c) if so, the details of decisions arrived at?

THE MINISTER OF SHIPPING (SHRIVEDPRAKASH GOYAL): (a) various issues like the need for a link between Asia and Europe vai land and sea routes as well as North-South Transport Corridor were discussed by the Minister (Shipping) during his recent official visit to Iran.

(b) Yes, Sir.

(c) Iran was keen to develop the North-South Corridor, whose Coordination Council had recently met at St. Petersburg. Discussions were also held with the Minister from Uzbekistan as also the representatives of other Central Asian Republics present at the forum. The Central Asian Republics are keen to join the North South Corridor. It was concluded that India can play a mjaor role in helping Iran, Central Asian Republics and Afghanistan in upgrading their transport infrastructure viz. ports, roads/ bridges and railway systems.

Financial crisis faced by HSL

1304. SHRI N.R. DASARI: Will the Minister of SHIPPING be pleased to state:

(a) whether Government are aware of the serious financial crisis being faced by the Hindustan Shipyard Ltd. Visakhapatnam due to the non-availability of non-plan assistance from Government for the last six years and loan facility from financial institutions;

(b) whether the HSL staff and workers union had submitted a memorandum to Government in the month of May this year in this regard; and

(c) if so, the details of their demands and action being taken, if any to solve their problems?

THE MINISTER OF SHIPPING (SHRI VEDPRAKASH GOYAL):.(a) HSL has been incurring losses for the reasons mainly of law order book position, wide gap between the cost of construction and price of vessel, under utilization of capacity, excessive manpower and heavy burden of interest on borrowings from Government and Commercial Bank.

(b) Yes. Sir.

(c) The Staff and Workers' Union of Hindustan Shipyard Limited (HSL) has requested for revival of contract for construction of bulk carrier (hull No. 1136) for Shipping Corporation of India (SCI), medium refit of 877 EKM Submarines to Indian Navy, non-plan assistance, consideration of fresh orders from SCI/ONGC etc. Regarding revival of contract for Hull No. 1136, SCI, at present, is not inclined to place any orders for such vessels due to lack of demand for such bulk carriers. Regarding Medium Refit of 877 EKM Submarines from Indian Navy, Ministry of Defence have already conveyed the sanction for nominating M/s. HSL to undertake medium refit-cum-modernisation of EKM Submarines. Government have also been releasing funds for implementation of Voluntary Retirement Scheme in view of Capital Restructuring proposal of August, 1997. Non-Plan assistance is also being provided to HSL for shipbuilding subsidy on case to case basis. As for shipbuilding orders, possible efforts have been made by the Govt, to assist the Company secure orders. Government have already assisted HSL in obtaining orders on nomination basis from various ports as also SCI. On this Ministry's request, Ministry of Petroleum and Natural Gas have considered HSL for placement of new orders from ONGC either on nomination basis or on preferential basis against its participation in tenders.

Recommendations of Core Committee on HSL

1305. SHRI J. CHITHARANJAN:
SHRI N.R. DASARI:

Will the Minister of SHIPPING be pleased to state:

(a) whether a Core Committee constituted by his Ministry to study the state of affairs of Hindustan Shipyard Ltd., Visakhapatnam, has submitted its report;

(b) if so, the details and the recommendations made by the said Committee; and

(c) the steps being taken for the implementation of the recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU.THIRUNAVUKKARASAR): (a) Yes, Sir.